

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1937 - HB 1443

March 30, 2009

SUMMARY OF BILL: Extends the notice requirement before a foreclosure sale of residential property from 20 days to 90 days; requires notice to borrower of the availability of foreclosure prevention counseling agencies; prohibits a loan originator from making any false, deceptive or misleading statements relating to the business of residential mortgage loans; requires mortgage loans to be based on the borrower's ability to repay such loans.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – Less than \$10,000

Assumption:

- According to the Tennessee Housing Development Agency (THDA), there would be an anticipated loss of revenue related to bond financed funds which are recouped by foreclosure and invested for a short period of time and then used to redeem outstanding bonds. However, given the number of variables and the uncertainties for investment rates of return, the exact amount of loss cannot be calculated, but can be estimated to be less than \$10,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

/rct